The Morenci Water & Electric

401 Burro Alley P.O. Box 68 Morenci, AZ 85540 Telephone (928) 865-2229 Facsimile (928) 865-5261



6

February 15, 2010

Docket Control Center Arizona Corporation Commission 1200 West Washington Street Phoenix, AZ 85007

Re:

ORIGINAL

Purchase Power Fuel Adjuster

Docket: E-01049A-97-0677 Reports for January 2010

Dear Staff:

Please find enclosed forms FA-1, FA-1A, FA-1B, FA-1C, FA-2, FA-3, and Power Purchase Data for the above referenced month.

- Tucson Electric Power in the amount of \$74,647.26
- Tucson Electric Power in the amount of \$246,125.00
- Tucson Electric Power in the amount of \$2,738,487.00
- Freeport McMoRan Copper & Gold Energy Services, LLC in the amount of \$3,375,290.68

Please let me know if you have any questions or comments.

Sincerely,

Ruel A. Rogers, Jr.

Superintendent

RAR/krb

Enclosures(13 sets)

XC:

B. Bozzo, ACC w/encl.

H. Garz, FMI w/encl

Keel to Rog for.

B. Keene, ACC w/encl.

File PPFA 2010

Arizona Corporation Commission

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THE MORENCI WATER & ELECTRIC COMPANY PURCHASED POWER AND FUEL ADJUSTOR BANK BALANCE REPORT FA-1 For the Month of January, 2010

Line 1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over ≈ Neg, Under ≈ Pos)	\$			<u>(461,602)</u>
2A.	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	2,796,782		
2B.	Total Sales(includes Special Contract Sales, shown for computation of unit cost only)	KWH	<u>96,297,915</u>		
2C.	Special Contract Sales not subject to PPFA per Decision No. 60807 dated Apr 8 1998	KWH	<u>93,501,133</u>		
3.	ACTUAL COST OF PURCHASED POWER:	\$	5,008,500		
4.	UNIT COST OF PURCHASED POWER: (Line 3/Line 2B)	\$/KWH		0.052010	
5.	AUTHORIZED BASE COST OF PUR. POWER: Per Decision No.54712 Dated 10/10/85	\$/KWH	0.075220		
6.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98, Updated Decision No.	\$/KWH 61705 Dated 5/99	(0.019000)		
7.	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.67676 dated 03/05	\$/KWH	0.000000		
8.	TOTAL RATE COLLECTED FROM CUSTOMER: (Line 5 + Line 6+ Line 7)	\$/KWH		0.05622	
9.	INCREMENTAL DIFFERENCE BETWEEN AUTHORIZED AND ACTUAL RECOVERY: (Line 4 - Line 7)	\$/KWH		(0.004210)	
10.	NET CHANGE TO BANK BALANCE: (Line 2A x Line 8) If Line 4 > Line 7 - Under Collected Balance. If Line 4 < Line 7 - Over Collected Balance, neg.	\$			(11,773)
11.	ADJUSTMENTS TO BANK BALANCE: From FA-1A	\$			<u>0</u>
12.	PREAPPROVED DSM COSTS: From FA-1B	\$			<u>0</u>
13	ENDING BANK BALANCE: (Line 1 + Line 9 + Line 10 + Line 11)	\$			(473,375)

THE MORENCI WATER & ELECTRIC COMPANY PURCHASED POWER AND FUEL ADJUSTOR BANK BALANCE REPORT FA-1A ADJUSTMENTS TO BANK BALANCE DETAIL For the Month of January, 2010

PLEASE PROVIDE A DETAILED SUMMARY OF THE ADJUSTMENTS THAT THE COMPANY IS CLAIMING THAT AFFECT THE ENDING BALANCE OF THE PURCHASED POWER AND FUEL ADJUSTOR REPORT. EXAMPLES OF ADJUSTMENTS COULD INCLUDE PRIOR PERIOD ADJUSTMENTS FOR BILLING ERRORS OR CORRECTIONS, REFUNDS RECEIVED FROM YOUR SUPPLIER, REFUNDS ORDERED BY THE COMMISSION ETC. ALL ADJUSTMENTS NEED TO BE THOROUGHLY EXPLAINED AND SUPPORTING DOCUMENTATION ATTACHED, IF APPROPRIATE. THE TOTAL OF ALL THE ADJUSTMENTS BEING CLAIMED SHOULD BE ENTERED AT THE BOTTOM OF THIS FORM AND ON FA-1, LINE 10.

ADJUSTMENTS TO BANK BALANCE: (Transfer amount to FA-1, Line 10.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY PURCHASED POWER AND FUEL ADJUSTOR BANK BALANCE REPORT FA-1B PREAPPROVED DSM COST DETAIL For the Month of January, 2010

PLEASE PROVIDE A DETAIL LISTING OF THE DSM COSTS CLAIMED ON FA-1, LINE 11. DSM COSTS SHOULD BE LISTED BY PROGRAM, AMOUNT AND PERIOD OF TIME WHEN THE FUNDS WERE ACTUALLY SPENT. THE TOTAL DOLLARS SPENT THIS MONTH ON ALL PROGRAMS SHOULD BE ENTERED ON THE LINE PROVIDED AT THE BOTTOM OF THIS PAGE AND ON FA-1, LINE 11.

		CUMULATIVE	COSTS
	APPLICABLE	COSTS CLAIMED	CLAIMED
PROGRAM NAME	TIME PERIOD	TO DATE	THIS MONTH

NONE

TOTAL DSM COSTS CLAIMED THIS MONTH (Transfer amount to FA-1, Line 11.)

\$0.00

THE MORENCI WATER & ELECTRIC COMPANY PURCHASED POWER AND FUEL ADJUSTOR BANK BALANCE REPORT FA-1C For the Month of January, 2010

Supplemental report for Decision No. 61298 dated December 1998

		-		
Line 1.	ENDING BANK BALANCE FROM PREVIOUS MONTH: (Over = Neg, Under = Pos)	\$		0
2	JURISDICTIONAL SALES(Applicable to FUEL ADJ.): (= Total Sales - FA-3)	KWH	Ō	
3	AUTHORIZED PURCHASED POWER ADJUSTOR: Per Decision No.61298 Dated 12/98	\$/KWH	0.000000	
4	NET CHANGE TO BANK BALANCE: (Line 2 x Line 3)	\$		0
5	ENDING BANK BALANCE: (Line 1 + Line 5)	\$		<u>0</u>

THE MORENCI WATER & ELECTRIC COMPANY PURCHASED POWER AND FUEL ADJUSTOR GENERAL INFORMATION FA-2 For the Month of January, 2010

Line							
	1.	COMPANY NAME: THE MORENCI WATER & ELECTRIC COMPANY NAME: THE MORENCI	MPANY				
	2.	MAILING ADDRESS: P.O. BOX 68 - MORENCI, AZ. 85540					
	3. 4.	CONTACT PERSON: RUEL A. ROGERS, JR. CONTACT TELEPHONE NUMBER: (928) 865-6971					
	٦.	CONTROL TELEPTIONE NOMBER (220) 000-007					
		GENERATION					
	5.	GAS GENERATION	(\$)				
	6.	OIL GENERATION	(\$)		•		
	7.	COAL GENERATION	(\$)		-		
	8.	OTHER GENERATION (Identify)	(\$)		-		
		TOTAL GENERATION COSTS	(\$)	Α.	-	0	
		PURCHASED POWER			•		
	9.	BASE METER CHARGE	(\$)				
	10.	DEMAND CHARGE	(\$)		•		
	11.	ENERGY CHARGE	(\$)		-		
			_		•		
		TOTAL PURCHASED POWER COSTS (Including Special Contract Per Decision No. 60807)	(\$)	В.		5,008,500.20	
	12.	TOTAL COST OF GENERATION AND PURCHASED POWER	(\$)				<u>\$5,008,500.20</u>
		(Total of Lines 8A and 11B)	(,,				
	13.	KWH	(KWH)				
		Generated	,		0		
		Purchased Special Contract (Per Decision No 60807)			93,501,133		
		Purchased			<u>5,008,500</u>		
		TOTAL KWH GENERATED/PURCHASED				98,509,633	
	14.	COST PER KWH	(\$/KWH)			0.050843	
		(Line 12/Line 13)					
	15.	UNACCOUNTED FOR KWH'S					
		Line Loss	(KWH)		<u>113,735</u>		
		Own Use	(KWH)		<u>18,544</u>		

THE MORENCI WATER & ELECTRIC COMPANY PURCHASED POWER AND FUEL ADJUSTOR GENERAL INFORMATION FA-3 For the Month of January, 2010

1.	SALES (KWH)		
	Residential	<u>1,446,901</u>	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>1,349,881</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998) TOTAL SALES (KWH)	93,501,133	96,297,9
	(Total KWH Sales SHOULD Agree with number on FA-1, Line #2.)		
2.	SALES (\$)		
	Residential	\$158,212.84	
	Commercial - (small)		
	Commercial - (small)		
	Industrial	<u>\$138,475.98</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	\$5,050,541.37	
	TOTAL SALES (\$)	==	\$5,347,230.
3.	NUMBER OF CUSTOMERS** Residential	2,064	
	Commercial - (small)	<u>=</u>	
	Commercial - (small)		
	Industrial	<u>266</u>	
	Irrigation		
	Municipal		
	Wholesale		
	Other Sales (Special Contract Sales per Decision No. 60807 Dated April 8, 1998)	1	

THE MORENCI WATER & ELECTRIC COMPANY

Miscellaneous Power Purchase Data Excludes Special Contract Sales For the Month of January, 2010

	<u>K.W.H.</u>	Percent	<u>K.W.</u>
Total Sales	96,297,915	99.9%	
Total Own Usage	18,544	0.0%	
Total System Losses	113,735	0.1%	
Total Purchased Energy	96,430,194		
System Losses-Rolling annual average		<u>0.12%</u>	
MWE Billed Peak			N/A
MWE Load Factor as Billed	N/A		
*MWE/PDC Coincidental Peak Demand			N/A
*MWE/PDC Coincidental Load Factor	N/A	.	
*Per Prem Bahl's Calculations 6/17/91			
MWE Actual Peak Per 3 MWE Totalizers			N/A
MWE Actual Load Factor Per 3 MWE Totalizers	N/A	1	



P.O. Box 711 M/S DS204 Tucson, Arizona 85702 Phone: 520-917-8773 Fax: 520-917-8789

INVOICE

Morenci Water & Electric

Attn: Ruel Rogers P.O. Box 68 Morenci, AZ 85540 Invoice Date:

February 2, 2010

Customer No:

TEP 0311 MWE 904

D	escription				Charges	Credits	Amount
Charges in accordance with Service Shedt of the Control Area Services Agreement d Month of: January 2010 Control Area Services: Administrative Reactive Supply & Voltage Control Regulation & Frequency Response nergy Imbalance - Outside Bandwidth: Negative Imbalance	198,215 198,215 198,215 1,875 227.80	kW @ kW @ kW @ MWh @	0.0128 0.1610 12.0850	/ kW / kW / MWh	2,537.15 31,912.65 22,659.38 22,780.06		2,537.1! 31,912.65 22,659.38 22,780.06
Positive Imbalance Spinning Reserve Interruptible Load/Non-Spin	(427.933) 1,000 0	MWh @ kW @ kW @	40.48990 12.0850 1.9840	/ kW	12,085.00	17,326.98	(17,326.98 12,085.00
Energy Imbalance - Inside Bandwidth - Negative Imbalance Positive Imbalance Net Net e-mail to: roxanne_boling@fmi.com	1,519	MWh MWh - MWh - MWh					
copy to: Freeport McMoran Copper & Gold, Inc. Attn: Mike Hughes One North Central Avenue Phoenix, Arizona 85004							
Payments are due the 15th day after i	nvoice rece	ipt		111111111111111111111111111111111111111	4.	mount Due TEP	\$ 74.647.2

Amount Due TEP \$

74,647.26

Please Wire Transfer Payments to:

Tucson Electric Power Company – Corporate

Wells Fargo Bank

ABA 121-000-248 Account Number 495-0029116

Due Date:

February 17, 2010

Payments not received on or before the Due Date are subject to a late charge.

Checked By:	

Approved By:	

Questions? Call Shawna Hilman at (520) 917-8716 or e-mail SHilman@tep.com



P.O. Box 711 Tucson, Arizona 85702 520-745-7170 fax 520-770-2003

INVOICE

Morenci Water & Electric Company

Attn: Ms. Roxanne Boling

P.O. Box 68

Morenci, AZ 85540

Invoice Date:

February 1, 2010

TEP 0311 904

-	Description	on			Charges	Credits	Amount
Energy purchased by: MW January	E						
Energy Charge:	0	MWh @	\$0.00	/MWh	\$ -		\$0.00
Transmission Services					}		
Transmission Ancillary Services:	100	MW @	\$2,259.25	MW-Mon	\$225,925.00		\$225,925.0
Scheduling, System Con Reactive Supply and Vol		ch Service	\$161.00 \$41.00	MW-Mon MW-Mon	\$16,100.00 \$4,100.00		\$16,100.0 \$4,100.0
Non-Spin capacity	. 0	MWh @	0.00	/MWh		\$0.00	\$0.0
		<u>:</u>					<u> </u>
yments are due the late			•				
voice month or the tenth	າ day after rec	eipt.			Am	ount Due TEP	\$ 246,125.0

Please Wire Transfer Payments to:

Tucson Electric Power Company - Corporate

Wells Fargo Bank

ABA 121-000-248

Account Number 495-0029116

Questions? Call Bob Nowak at (520) 917-8776 or e-mail rnowak@tep.com

Due Date:

February 28, 2010

Payments not received on or before the Due Date are subject to a late charge.

Approved By:	

Checked By:



P.O. Box 711 Tucson, Arizona 85702 520-745-7170 fax 520-770-2003

INVOICE

Morenci Water & Electric Company

Attn: Ms. Roxanne Boling P.O. Box 68

Morenci, AZ 85540

Invoice Date:

February 1, 2010

TEP 0311 904

<u>D</u>	escription			Charges	Credits	Amount	
Energy purchased by: MWE January	· .						
Energy Charge: Market Power - Real Time Market Power - Daily Short Term Contract Loss PAYB from PNM	54,585 10,050 0 6,480	MWh @ MWh @ MWh @ MWh @	/MWh /MWh /MWh /MWh	2,350,293.00 388,194.00 0.00 0.00		2,350,29 388,19	
Additional Transmission costs: PNM, WALC, TEPC)				0.00			0.0
			1				

Payments are due the later of the last day of the invoice month or the tenth day after receipt.

Please Wire Transfer Payments to:

Tucson Electric Power Company – Corporate
Wells Fargo Bank

ABA 121-000-248 Account Number 495-0029116

Questions? Call Bob Nowak at (520) 917-8776 or e-mail mowak@tep.com

Due Date:

Amount Due TEP \$

February 22, 2010

2,738,487.00

Payments not received on or before the Due Date are subject to a late charge.

Approved By:

Checked By:



Freeport-McMoRan Copper & Gold Energy Services, LLC

One North Central Avenue, Phoenix AZ 85004-4414 (602) 366-8100 Voice (602) 366-7314 Facsimilie

INVOICE

Invoice Date:

February 1, 2010

Morenci Water & Electric P.O. Box 68 66 Fairbanks Road Morenci, Az. 85540

Description		Charges	Credits		Amount
Energy Purchased by MW&E pursuant to : PDES's FERC Electric Tariff, First Revised Volume No. 1,Second Revised Sheet Nos.1-3 Capacity MW Energy MWh var O&M	120 50,674 50,674	\$ 960,000.00 \$ 2,245,532.78		\$ \$ \$	960,000.00 2,245,532.78 169,757.90
Current Charges				\$	3,375,290.68

Due Date:

February 15, 2010

Wire Transfer:

Bank of America
Dallas, Texas
ABA # 026009593
Account # 3752029501
Freeport-McMoRan Copper & Gold Energy Services